Agri-News

Iowa Agricultural Statistics Service

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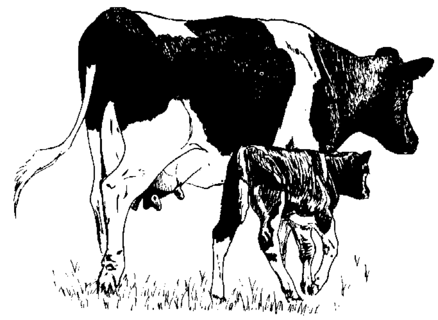

January 1 Cattle Inventory

IOWA: All cattle and calves in Iowa as of January 1, 2004 totaled 3.45 million head, 3 percent below the 3.55 million head on both January 1, 2003 and 2002. Beef cows at 984,000 head were 1 percent below last year. Milk cows at 196,000 head were 6 percent below last year.

Overall heifer numbers were down 1 percent from last year at 810,000 head. Heifers for beef cow replacement were down 4 percent to 125,000 head; heifers for milk cow replacement at 95,000 head were 5 percent lower than the previous year; and all other heifers were unchanged from last year at 590,000 head.

Steers weighing 500 pounds and over were down 7 percent from last year at 940,000 head. Bulls weighing 500 pounds and over were unchanged at 70,000 head. Calves under 500 pounds on January 1 totaled 450,000 head, unchanged from last year.

The 2003 calf crop was estimated at 1.12 million head, up 1 percent from the 1.11 million born in 2002. Cattle and calves on feed for slaughter in all feedlots on January 1 was 950,000 head, down 13 percent from one year ago.

All Cattle and Calves, January 1, 2003-2004

Class	Iowa			United States		
	2003	2004	2004 as % of 2003	2003	2004	2004 as % of 2003
	Thousand head		Percent	Thousand head		Percent
ALL CATTLE AND CALVES	3,550	3,450	97	96,100	94,882	99
Cows and heifers that have calved	1,200	1,180	98	42,125	41,851	99
Beef cows	992	984	99	32,983	32,860	100
Milk cows	208	196	94	9,142	8,991	98
Heifers 500 lbs. & over	820	810	99	19,628	19,341	99
For beef cow replacement	130	125	96	5,624	5,517	98
For milk cow replacement	100	95	95	4,114	4,020	98
Other heifers	590	590	100	9,891	9,804	99
Steers 500 lbs. & over	1,010	940	93	16,554	16,280	98
Bulls 500 lbs. & over	70	70	100	2,248	2,206	98
Calves under 500 lbs.	450	450	100	15,545	15,204	98
Calf crop [1]	1,110	1,120	101	38,224	37,903	99
Total Number on Feed [2]	1,090	950	87	13,220	13,811	104

[1] Calf crop is all calves born during the previous year including calves still on farms, sold, slaughtered or died. [2] Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better. Cattle and calves on feed are included in the cattle inventory estimates by classes.

ECONOMIST CORNER

Livestock by John Lawrence and

Grains by Robert Wisner

Iowa Cooperative Extension Service - Ames

LIVESTOCK

The cattle complex could not sustain the mid January rally. Light choice cutout values lost $10 between January 23 and January 30. Cattle prices suffered a similar decline, with most markets ending the week of January 31 under $80. Rising weights and a developing feedlot backlog pose the greatest threats to the fed cattle market, as weekly cattle slaughter has remained below the rate necessary to keep current. Total cattle numbers are fortunately at historic low levels. The semi-annual Cattle Report showed the January 1 all cattle and calves inventory totaling 94.9 million head, the lowest level since 1959. The 2003 calf crop was down 0.8% from 2002. While the cattle on feed inventory is up 4.5%, the supply of feeder cattle available for placement is down 3.2%. Producers should not expect prices to break $80 again this winter unless at least one of the three major export market opens up.

Feeder pig prices are running $10-$15 per head lower this year than last year, reflecting the expectation that market hog prices this summer are not likely to surpass last year's prices. Greater than expected supplies seem to have become the norm, as 2004 hog slaughter has run 4% greater than last year. In spite of higher slaughter and pork production, market hog prices remain $10-$12 higher than last year and slightly higher than 2002, suggesting pork demand is growing. Market hog prices climbed $5-7 in January and should continue on a typical seasonal track this year, peaking in the mid $60's during the summer.

GRAIN

After setting new life of contract highs following the January 12 production and stocks reports, the grain markets suffered a sharp setback in late January and early February. Key factors behind the drop included: (1) widespread publicity about destruction of millions of chickens and ducks in Asia, potentially reducing feed demand, (2) China and France shifting old-crop soybean purchases to new crop the last two weeks of January, and (3) profit taking from fund traders. China shifted about 34 million bushels of old-crop beans to fall 2004 delivery and cancelled another 2 million bushels of purchases. Motivation for the shift to new-crop appears to be depressed Chinese crushing margins, and expectations of cheaper South American soybeans.

Despite these negative factors, U.S. soybean use has not yet been reduced enough to match this season's short supplies. Bean export sales from now through August will need to be down 66% from a year earlier, and crushings will need to be down 14% because of limited supplies. Demand for U.S. corn remains well above a year earlier, and large plantings of both crops will be needed in 2004. This combination suggests that further price strength into spring is a good possibility for both crops, although prices are likely to be very volatile. Corn markets also are being affected by concern about the bird flu, although corn export sales have held up much better than soybeans. Reports vary on the number of chickens and ducks destroyed so far in Asia, with estimates ranging from 25 to 50 million birds. If correct, a reduction of this size would only slightly temper grain and soybean meal demand. But the major question grain traders are asking is "How many more will be destroyed to control the disease?"

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA Jan.[1] 2003	IOWA Dec.[1] 2003	IOWA Jan.[2] 2004	U.S. Dec.[1] 2003	U.S. Jan.[2] 2004
		- - - - - - - - - - Dollars - - - - - - - - - -				
Corn	Bu.	2.19	2.28	2.40	2.32	2.46
Oats	Bu.	2.13	1.59	1.55	1.58	1.50
Soybeans	Bu.	5.44	7.35	8.00	7.17	7.82
Alfalfa, baled	Ton	88.00	84.00	87.00	87.90	83.60
All hay, baled	Ton	86.00	82.00	86.00	81.30	79.30
All hogs	Cwt.	34.60	32.50	33.90	34.20	35.70
Sows	Cwt.	23.90	29.90	29.60	28.10	28.80
Bar. & Gilts	Cwt.	34.80	32.60	34.00	34.60	36.10
Beef Cattle	Cwt.	76.00	92.20	82.20	90.50	77.40
Cows	Cwt.	37.40	49.80	47.90	49.40	45.80
Strs. & Hfrs.	Cwt.	76.80	93.10	82.90	95.70	81.20
Calves	Cwt.	94.90	99.50	89.50	112.00	105.00
Milk cows[3]	Hd.	1,340	--	1,400	--	1,390
Milk (whls)	Cwt.	11.90	14.30	13.30	13.70	13.10
Sheep	Cwt.	39.50	42.30	--	44.40	--
Lambs	Cwt.	86.10	89.20	--	98.40	--
Eggs (mkt)	Doz.	.460	.659	.762	.739	.806

[1]Corn, oats, soybeans, all hogs, all cattle, all sheep, and milk are whole-month prices. All hay and eggs are mid-month prices. [2]All prices are mid-month. [3]Prices published January, April, July, and October.

Price Index Summary Table

Prices Received	IOWA Jan. 2003	IOWA Dec. 2003	IOWA Jan.[1] 2004	UNITED STATES Jan. 2003	UNITED STATES Dec. 2003	UNITED STATES Jan.[1] 2004
	1990-92=100[2]					
Prices rec'd.	92	105	115	100	113	111
Crops	98	115	123	103	115	115
Lvstk Prods.	86	94	108	96	112	107
	1910-14=100[3]					
Prices rec'd.	--	--	--	632	720	708
Crops	--	--	--	508	566	569
Lvstk Prods.	--	--	--	734	858	822

[1] Preliminary. [2] 1990-92=100 reference replaced 1977=100 in January 1995. [3] Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

Prices Paid	Jan. 2003	Dec. 2003	Jan. 2004	Jan. 2003	Dec. 2003	Jan. 2004
	1990-92=100			1910-14=100		
Prices paid[1]	126	130	130	1684	1727	1728
Feed	114	122	121	556	596	593
Ratio[2]	79	87	85	38	42	41

[1]Prices paid by farmers for commodities and services, interest, taxes, and farm wage rates. [2]Ratio of index of prices received to index of prices paid for commodities and services, interest, taxes, and farm wage rates.

All Layers and Egg Production, December 2002 and 2003[1]

State	Table Egg Layers in Flocks 30,000 and Above 2002	Table Egg Layers in Flocks 30,000 and Above 2003	All layers on hand[2] 2002	All layers on hand[2] 2003	Eggs per 100 layers[2] 2002	Eggs per 100 layers[2] 2003	Total production 2002	Total production 2003	Table eggs[3] 2002	Table eggs[3] 2003	Hatching eggs[3] 2002	Hatching eggs[3] 2003
	Thousands				Number		Million eggs					
AL	2,350	2,067	9,778	9,418	1,872	1,932	183	182	53	50	130	132
AR	4,745	4,263	14,541	14,522	1,926	1,914	280	278	108	100	172	178
CA	22,398	20,370	23,016	20,899	2,260	2,244	520	469				
FL	9,929	10,470	10,534	10,989	2,174	2,321	229	255	219	244	10	11
GA	11,285	11,531	20,515	20,672	2,157	2,095	443	433	270	263	173	170
IN	22,378	22,686	23,035	23,427	2,236	2,275	515	533	503	521	12	12
IA	37,577	40,250	38,290	40,931	2,279	2,293	873	939				
MN	10,870	10,410	11,473	10,991	2,162	2,241	248	246	239	237	9	9
NE	11,508	11,668	11,608	11,743	2,160	2,282	251	268	251	268	0	0
NC	3,401	3,416	10,742	10,812	2,020	2,005	217	217	84	84	133	133
OH	30,152	27,837	30,663	28,276	2,182	2,309	669	653				
PA	23,242	21,743	24,854	23,504	2,338	2,314	581	544	564	528	17	16
TX	14,390	14,185	18,761	18,398	2,159	2,238	405	412				
U.S.	276,720	275,032	340,316	338,525	2,189	2,225	7,451	7,531	6,392	6,476	1,058	1,056

[1]2003 preliminary, 2002 revised. [2]Includes all layers and eggs produced in both table egg and hatching egg flocks regardless of size. [3] Data by type of flock not shown for some states to avoid disclosing individual operations.

2003 Layers and Egg Production, Iowa and U.S.

Month	IOWA Avg. Number of Layers	IOWA Eggs per 100 Layers	IOWA Egg Production	UNITED STATES Avg. Number of Layers	UNITED STATES Eggs per 100 Layers	UNITED STATES Egg Production
	1,000	Number	Million eggs	1,000	Number	Million eggs
December[1]	38,290	2,279	873	340,316	2,189	7,451
January	38,413	2,273	873	340,910	2,168	7,390
February	38,488	2,008	773	340,575	1,957	6,665
March	38,812	2,185	848	339,885	2,184	7,424
April	38,954	2,167	844	338,182	2,125	7,187
May	38,362	2,203	845	336,164	2,180	7,327
June	38,673	2,154	833	334,789	2,122	7,105
July	39,391	2,318	913	334,179	2,215	7,403
August	39,668	2,231	885	334,332	2,203	7,367
September	39,675	2,195	871	334,198	2,128	7,112
October	40,094	2,369	950	335,333	2,218	7,439
November	40,878	2,295	938	338,283	2,166	7,326

[1] Preceding year.

All Sheep and Lambs, January 1, 2003-2004

Class	Iowa 2003	Iowa 2004	Iowa 2004 as % of 2003	United States 2003	United States 2004	United States 2004 as % of 2003
	Thousand head		Percent	Thousand head		Percent
ALL SHEEP AND LAMBS	255	250	98	6,300	6,090	97
Total Breeding Sheep	175	180	103	4,658	4,480	96
Ewes	140	147	105	3,770	3,601	96
Rams	7	7	100	193	188.5	98
Replacement Lambs	28	26	93	695	690.5	99
Total Market	80	70	88	1,642	1,610	98
Lamb Crop	215	220	102	4,357	4,120	95

Wool: Number of Sheep and Lambs Shorn, Weight per Fleece, and Production by Selected States, and United States, 2002-2003

State	Sheep Shorn		Weight per Fleece		Production	
	2002	2003	2002	2003	2002	2003
	1,000 Head		Pounds		1,000 Pounds	
AZ	109.0	102.0	6.1	6.1	660	620
CA	510.0	500.0	7.1	7.0	3,600	3,500
CO	460.0	360.0	6.7	7.2	3,070	2,580
ID	217.0	217.0	9.7	9.7	2,115	2,115
IA	220.0	240.0	5.9	5.7	1,300	1,360
MN	150.0	140.0	6.8	6.8	1,020	950
MT	289.0	272.0	9.6	9.5	2,788	2,597
NM	175.0	160.0	8.1	7.8	1,410	1,240
ND	93.0	70.0	8.5	9.3	790	650
OH	155.0	144.0	7.1	6.4	1,100	920
OR	200.0	178.0	6.3	6.8	1,250	1,210
SD	375.0	330.0	8.3	8.0	3,105	2,625
TX	850.0	800.0	7.0	7.0	5,950	5,600
UT	280.0	240.0	9.5	9.3	2,650	2,230
WY	420.0	390.0	8.9	9.4	3,750	3,650
U.S.	5,476.0	5,057.0	7.5	7.5	41,322	38,114

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